The Augusta Coin Club Meets on the 3rd Thursday of the Month at the Sunrise Grill, 3830 Washington Rd. Martinez

The Augusta Coin Club since 1959

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Volume 19, Number 7 **THE AUGUSTA COIN CLUB MONTHLY NEWSLETTER** **July, 2019**

Our next meeting is Thurs, July 18, 2019 at 7:00 PM, early arrivals, 6:00 PM

The Absurdity of Grade Rarity

Club Meeting Calendar for 2019

Jan. 17	May 16	Sep. 19
Feb. 21	June 20	Oct. 17
Mar. 21	**July 18**	Nov. 21
Apr. 18	Aug. 15	Dec. 19

1938-S *Mercury* Dine sells for $364,250 at LEGEND Auction on June, 27, 2019

Enlargement of 1938-S Mercury dime sold at auction by LEGEND Courtesy of Heritage auctions archives and COIN WORLD Magazine

Every so once in a while the numismatic world hears of an event regarding a common date coin that sells at prices comparable to an extreme numismatic rarity. ***Coin World*** in its Monday morning Brief of July 8, 2019 reported the sale of a 1938-S *Mercury* dime, a coin with a mintage of 8,000,000 that was certified MS-68+ by PCGS as," the best known" sold at auction for a whopping $364,250. The PCGS-MS-66+ specimen of the D. Brent Pogue 1797 Draped Bust/ small eagle ***disme***, with 16 stars on the obverse, a coin with equally beautiful toning but with a mintage of only 25,261 sold for only $199,750. If you had the discretionary income available, which would, you rather have?

Enlargement of a 1797 16 stars Draped Bust/ small eagle *disme* certified MS-66 by PCGS. It had a reported mintage of only 25,261

Is Grade Rarity hyping adversely affecting Numismatics?
By Arno Safran

A 1916-D Mercury dime graded MS-67 Full Bands by PCGS The coin sold for $207,000 at the ANA Convention in 2010 (Courtesy of Heritage Auction Archives & PCGS' *COINFACTS*)

In 1916, the Denver Mint director decided to strike Barber quarters in large numbers for the last time. As a result, no Barber dimes were coined but when it came to producing the new Winged Liberty dime, only 264,000 were struck. The 1916-D *Mercury* dime became an instant rarity and before the Coinage Act of 1965 replaced our silver coins with clad, many a youth searched through their change hoping to find 1916-D but usually never did. That date has become one of the most popular rarities in 20th Century coinage and the magnificent specimen of the 1916-D *Mercury* dime shown directly above sold for $207,000 at the ANA Convention in August of 2010. While that appears to be the most by far anyone has paid for the 1916-D rarity, it was obtained for $157,250, less than the gem 1938-S shown atop column 1 but is ***umpteen*** times scarier.

A 1921-D *Mercury* dime with full bands graded only MS-64 by PCGS [Enlarge further by increasing the page to fill the monitor screen.]

(Continued on page 2, column 1)

Is Grade Rarity adversely affecting Numismatics?

(Continued from page 1, column 2)

Coming down to earth a bit is a 1921-D *Mercury* dime certified MS-64 with full bands by PCGS that has been enlarged to the same size on the preceding page as the 1938-S. The '21-D along with the '21-P are two low mintage dates that are considered along with the extremely popular 1916-D and the challenging 1942/1 P & D overdates as the more desirable *Mercury* dime collectibles. None of these examples even in grades of MS-66 bring prices that come near what this extremely common date 1938-S *Mercury* dime brought. If one compares the quality of the 1921-D Mercury dime certified MS-64 FB compared to the 1938-S 68+, nobody will disagree that the latter is a superbly gorgeous coin by comparison but unless the successful bidder's desire was to assemble a complete set of *Mercury* dimes in the highest grades with the best eye appeal and collects no other type, one has to question the successful bidder's numismatic knowledge and "values" along with the others who competed in the extensive bidding to drive the price so high for a coin worth a mere fraction of the price realized.

In every field of endeavor the three most essential concepts that need to be addressed are one's values, purpose and strategies. For generations, numismatists have sought to collect coins that were usually obsolete design types that appealed to them, perhaps the key date of a series and its amount of "eye appeal". What follows are a number of rare coins that have good eye appeal but cost a small fraction of the $364,250 the 1938-S Winged Liberty dime realized.

An 1836 Gobrecht $1.00, graded MS-61 by PCGSJ-60, original
The coin realized $22,800 at the Goldberg sale
Held at the Long Beach, CA show in June 2016.
[Enlarge page to fill monitor screen to view details more clearly.]

One of the most popular US rarities is the 1836 Gobrecht dollar. The coin displays a beautiful rendition of a seated Liberty while showing an eagle soaring in a sea of stars on the reverse. Only one-thousand were struck in proof only and placed into circulation on Dec.31, 1836. Subsequent changes portray the eagle in horizontal flight with the 1838 and 1839, dates displaying thirteen stars on the obverse and the eagle either soaring or in a horizontal flight position. Some of these used to be considered original mint struck pieces but now dubbed restrikes and are rarer still. The coin shown above was certified MS-61 by PCGS and displays magnificent toning but cost the winning bidder only $22,800. Which would you rather have, the 1938-S Winged Liberty dime shown on page 1 or this example of the 1836 Gobrecht dollar shown directly above?

A 1907 Saint-Gaudens high relief wire rim $20 Double Eagle
Certified MS-61 by PCGS
The coin sold for$14,400 at the Long beach, CA show in June, 2019
[Courtesy of PCGS' COINFACTS & Heritage Auction Archives]

If one has the kind of money that enabled the successful bidder to acquire the 1938-S Mercury dime shown on page 1, column 1, this magnificent 1907 Saint-Gaudens High Relief wire rim Roman numeral $20 double eagle shown would be another coin on the writer's list that cost only a mere fraction of the 1938-S dime. Certified only MS-62 by PCGS, this example of the early strikes of Saint-Gaudens' masterpiece recently sold for just $14,400 at the Heritage sale held at the Long Beach, CA show this past June. Only 11,220 were minted of this particular trial piece before it was decided that the relief should be reduced and the Roman numerals for the date be replaced by Arabic numerals for the official release. Later in the year, the Philadelphia Mint struck 361,667 of the modified type and while even that is considered an average mintage compared with the more than four million that were struck with the motto, **IN GOD WE TRUST** in 1908, the 1907 Roman numeral version remains one of our most popular collectibles. Once again, it begs the question, which would you rather have assuming if you had the money, the 1938-S *Mercury* dime or the High Relief wire rim Saint-Gaudens Double eagle?

An 1885 Liberty "V: nickel graded MS-62 by PCGS
[Enlarge page to fill monitor screen to view details more clearly.]

The 1885 Liberty "V" nickel has been one of the most popular "key dates" of any US type series going back one hundred years. It has continued to increase in value, especially in grades from AU-50 and mint-state grades. The PCGS MS-62 graded specimen shown above appeared on line in January, 2019 and sold for $2,900. When magnified, the specimen appears well struck with no serious problems. A MS-67 specimen recently sold for $30,000 but had a black spot on Miss Liberty's coif and blackish dots scattered on the surfaces of both sides of the coin. The other MS-67 that sold for $47,200 was much more attractive, more so in the holders than in the enlarged cyber images. Considering the range of price between MS-62 and 67, I think I would prefer the MS-62 example at the much lower price but again, whether the cost be $3,000 or $47,000, which would you rather have, the 1938-S common date Mercury dime that sold for over $300,000 or the 1885 key date blemish-free V nickel that was priced at just under $3,000.

(Continued on page 3, column 1)

Is Grade Rarity adversely affecting Numismatics?

(Continued from page 2, column 2)

Two for less than the price of one and much more

1853 Liberty Seated quarter sub-types
Above, the *no arrows and rays* was certified AU-55, below,
The *with arrows and rays* specimen below it, certified MS-61
[Enlarge screen to view details.]

Shown above is an eye appealing pairing of two of the most popular quarter-types in all of US numismatics, the 1853-P Liberty Seated quarter with ***no arrows*** and ***rays*** positioned over the 1853-P Liberty Seated quarter ***with arrows*** at date on the obverse *and* ***with rays*** emanating outward from the spread eagle on the reverse. When these two coins were struck, James Barton Longacre was the current Chief engraver at the US Mint having replaced Christian Gobrecht in 1844 upon his death. Longacre served for almost 25 years in this capacity and engraved more new design-types than any US Chief engraver before or since but was never regarded as being on the same artistic level as those who preceded him. While some may disagree since his $20.00 gold Double Eagle was probably his most outstanding achievement, he also deserves credit that by merely adding the rays on the reverses of the Liberty Seated quarter and half-dollar he increased each coin's aesthetic appeal dramatically.

As a result of the discovery of gold in 1848 at Sutters Mill, California, the value of silver began to rise above the face value of our silver coins which were being taken out of circulation for profit. In February of 1853, Congress passed a law decreasing the silver weight proportionately on the half-dime thru the half-dollar. To call attention to the change, all four of these denominations with the lighter weight had arrows surrounding the date on the obverse with just the quarter and half-dollar having rays emanating from the spread eagle on the reverse.

Only 44,200 Lib. Std. quarters with *no arrows* were struck at the Philadelphia Mint before the new law went into effect which essentially created an instant rarity. Later, a gargantuan total of 15,210,020 were produced at the Philadelphia Mint and an additional 1.3 million at the New Orleans Mint and while the change proved to be successful it created a new problem due to the fact that the coins with rays on the reverse severely shortened the lifespan of the dies. As result, the 1853 *no arrows and rays* sub-type became a one year type coin thereby increasing demand especially in the higher grades while escalating the coins' value proportionately.

When the 1853-P Liberty Seated quarter with ***no arrows and rays*** appears on the market it usually brings a fairly good price at auction because it is scarce in all grades. Using the PCGS *COINFACTS* search engine, the author discovered a small number of attractive specimens grading from XF-45 thru MS-63 and found that the PCGS-AU-55 example shown atop column one had lots of detail with attractive toning yet sold for only $4,935.00 which included the 20% buyer's fee at a Heritage auction held two years earlier. Currently, the listed retail price is $6,000 according to PCGS' *COINFACTS* while the retail price for the 1853-P quarter ***with arrows and rays*** certified MS-61 shown under the no arrows & rays quarter on the previous column is $1,100 with most auction prices realized in the same grade ranging from a low of just $750 to a high of $1,000.

Clearly, the 1853 Liberty Seated quarter with *no arrows and rays* is underrated in today's numismatic market but if you are a knowledgeable collector reading this, you don't have to be a millionaire to understand proportionate value. By overpaying well over $300,000 for a common date 1938-S *Mercury* dime grading MS-68+, even with gorgeous toning, the new owner would be missing the numismatic opportunities of a lifetime of acquiring an even larger number of truly rare and beautiful obsolete US type coins than even those shown in this article since most examples described fall well below that figure.

One of the "Kings" of Date Rarity

A 1901-S Barber quarter graded MS-68 by PCGS
The key date and "stopper" of the Barber quarter series (1892-1916)
It sold for $327,750 at the Whitman Baltimore show in Mar. 2010
(Courtesy of Bowers & Merena and PCGS'COINFACTS)
[Enlarge screen to view details.]

Another comparison concerning a coin's true numismatic value in the ***grade rarity vs. date rarity*** controversy is perhaps best amplified by the ultra key date of the 20th century, the 1901-S Barber quarter. Only 72,664 were minted at the San Francisco Mint that year and a Good-4 graded piece is currently listed at $3,750, a MS-63 at $52,500 and the PCGS-68 shown above at $400,000 according to the PCGS' *COINFACTS* web-site. The certified MS-68 shown directly above sold for **$327,750** at Bowers and Merena auction back in March, 2010. That's still less than what the **$364,250** the winning bidder paid for the common date 1938-S *Mercury* dime with a mintage of over eight million So, if you had the discretionary income to afford either, which of the two would you rather own?

The Final Responsibility

There's a familiar saying when it comes to numismatics, "**A fool and his money are soon departed!"** The writer believes that dealers and auction companies have a responsibility to advise such individuals from endeavoring in paying too much for a coin even with exceptional eye appeal that has arguably far less value than a similarly graded rare key date coin like the 1901-S quarter or even a group of fairly rare date coins.

AUGUSTA COIN CLUB, INC
MINUTES OF MEETING
June 20, 2019

The meeting was called to order at 7:00 p.m. at the Sunrise Grill by President, Steve Nix. We had 41 members present.

Secretary's Report:
The May 16, 2019 minutes were not read. A copy is kept on file.

Treasurer's Report:
Treasurer's Report was sent by email by Stacey Plooster. We have $17,349.27 deposited in the checking account.

Prize Winners:
Steve Damron won a 2019 Silver Eagle and Larry Lucree won a 2019 Silver Eagle. Winner of the 50/50 raffle was Glenn Sanders ($65.00).

Report on the Club's Spring Coin Show May 24th (Friday) and May 25th (Saturday) 2019: David Chism - Bourse Chairman.

The Spring Coin Show will be held at the Columbia County Exhibition Center located at the Grovetown Wal-Mart at Exit 190. David reported 75 tables were sold. David Chism reported that the dealers set up on Thursday night from 4 to 8 pm and this was a great success. We had 35 dealers with 75 tables. There were 24 members that helped at the front desk. We took in $9258 with expenses of $6691 giving us a profit of $2567.00. We have 20 tables sold for our November show. Everybody gave David Chism a hand for a job well done. We had 222 visitors on Friday and 184 visitors on Saturday for an attendance record of 406. Due to the lack of a volunteer to manage the food concession stand at the show, there was no food concession services at the show site.

Show & Tell:
Tommy Hegler displayed a 1979 Niagara Falls coin that honored Charles Blondin. He was the first man to walk on a tightrope across Niagara Falls Gorge in 1859.

Steve Damron displayed two medals. The first one was an 1893 aluminum 34 mm mule coin with Christopher Columbus on the obverse and a horse on the reverse. (population known, just one). The second medal was a 1904 St. Louis Purchase World's Fair Exposition medal.

The Program:
The program for June, was supposed to be the "Bechtler Family Gold Coinage of Rutherford County, NC issued from 1831 to 1852 to be presented by Steve Kuhl but due to a severe storm that affected the guest speaker's area causing a fire adjacent to his house, the program was postponed until our August 15 meeting. Steve Damron will be our guest speaker at our July 11 meeting. Steve is the owner of Clein's Rare Coins in Martinez, Georgia.

The 2019 Augusta Coin Club Medallion
Instead of an area landmark, the choice for our 2019 Augusta Coin Medallion features our club's logo on the reverse honoring the 60th anniversary of the club instead of a local landmark. . Only 100 medallions will be struck with 25 medallions available each in antique bronze, antique copper, pure copper and silver wash, the price, $12.00 each to members at the club's cost.

Old Business:
2019 Club dues $15.00 per year are past due
The 2020 ***Red books*** have been in for a couple of months now .at a price of only $10.00.to club members

New Business:
Member John Mason donated Duke University ball players' cards raising $6.00. Thanks Colonel Mason. We had 3 juniors draw from the junior box of coins.

Our sister club to, the east in Aiken, SC, **the SJ CSRA CC** for (Stephen James Central Savannah River Valley Coin Club) will be holding its annual pre fall show on Sept. 7 at the South Aiken Presbyterian Church located on Whiskey Road in Aiken across from its former site.. (See flyer below!).

Upcoming Area Coin Shows:

Concord, NC	June 20-22 2019
Raleigh, NC	June 29-30 2019
Orlando, FL	July 11-13 2019
Tifton, GA	July 28-29 2019

Monthly Club Auction:
1st VP Glenn Sanders ran the auction (18 lots). John Mason, Everett Price and Connie Nix delivered the goods as the auction was carried on therefore speeding the auction up. Bids recorder was David Chism.

Respectively Submitted,
John Thomas Attaway

The Educational Bank notes, *Series of 1896*
(The third and final article in the Series)

The $5.00 Educational Silver Certificate, Series of 1896
[Courtesy of Wikipedia] [Enlarge page to fill screen.]

The $5 note represents

Electricity as the Dominant force in the World

The third and final silver certificate of the *Series of 1896* Educational notes was the $5.00 denomination and it is perhaps the most artistically spectacular of all three. According to Gene Hessler, author of ***the Comprehensive Catalog of U.S. Paper Money***, Walter Shirlaw's painting of the face of the note still hangs in the Bureau of Engraving and Printing. He earned $600 for his efforts which translates into the purchasing power of $18,500 today. Thomas F. Morris made minor changes bringing out some of the key figures in the background.

On the back of the note, Morris also portrays a female head, ***(presumably, his wife according to contemporary gossip)***. It is centered atop the note between United & States just above the Roman numeral V. The portraits of Civil War Union Generals Grant and Sheridan were painted by Lorenzo Hatch. G.F.C. Smilie was the engraver.

While the B.E.P. printed more than 35 million of these notes, their tenure was short-lived allegedly due to the efforts of Anthony Comstock, Secretary of the ***Society for the Suppression and Vice***. In 1897, it was suggested that additional clothing be added to the women and even a $10.00 note was proposed but neither came to pass and these beautiful works of art on the three Educational Silver Certificates were replaced by *the Series of 1899*. As a result, the three educational notes have become very expensive with the $1.00, "***History Instructing Youth***" being the most common, the $2.00, ***"Science presenting steam and electricity to Commerce and Manufacture*** less so, and the $5.00, ***Electricity as the Dominant force in the World*** shown above being the most costly of the three across the grading spectrum. These three notes represented the wave of the future as the 20th century approached as the PC and the use of cyber space does today.

In the early 1990's, the writer became enamored of our nation's large size currency and started to collect some of the design-types that attracted him. Already, many of these notes were expensive. When it came to the Educational Series, he managed to acquire specimens of all three averaging in XF-45 condition. At a major central New Jersey show, he found a beautiful XF-45 $5.00 educational note. The problem was, it was pin-holed. He still bought it because it sold for half-price of what an XF-45 cost at the trime and when photographed, the pin holes didn't show up, only when someone held it up to the light. In 2000, he sold his US bank note collection and was paid double for what he originally paid for the $5.00 Educational note.

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